

FISCAL NOTE

HB 2964 - SB 3717

February 18, 2008

SUMMARY OF BILL: Requires genetic testing prior to a father being listed on a birth certificate. Requires the Department of Human Services (DHS) to paying for genetic testing if parties are financially unable to pay.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$229,500 FY09-10 and Thereafter

Increase State Expenditures – \$87,600 / One – Time

\$1,626,100 / Recurring

Other Fiscal Impact – Increase Federal Expenditures - \$1,089,000

Assumptions:

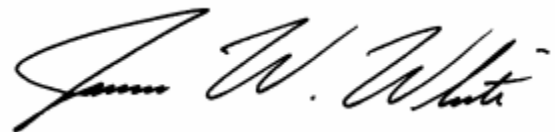
- The Department of Human Services (DHS) estimates 20,000 annual voluntary acknowledgements of paternity. The provisions of this bill will require all of the voluntary acknowledgements be accompanied with genetic testing prior to child support orders.
- Of the 20,000 acknowledgements, DHS estimates that at least one-half or 10,000 will be indigent and the Department will be required to fund the testing.
- Each paternity test is estimated to cost \$165 which will result in an increase in expenditures of \$1,650,000 (\$165 x 10,000).
- The Child Support Enforcement program is funded through both state (34%) and federal (66%) funds. Of the \$1,650,000 in additional expenditures, \$561,000 will be state funds and \$1,089,000 will be federal funds.
- DHS could be in jeopardy of losing \$42,944,000 in Title IV-D federal matching funds of the Child Support Enforcement program due to non-compliance with the voluntary paternity provisions of the state operating plans. Also, this could result in the state being assessed penalties against the state's block grant for the Families First program of approximately \$4,260,000 in the first year (two percent of the \$213,000,000 block grant).
- The Department of Health, Office of Vital Records, is required to submit a birth certificate within 10 days of the child's birth. The provisions of

the bill require paternity be established through DNA testing prior to the father being included on the birth certificate.

- Of the approximately 90,000 annual births in the state, the Department of Health estimates that 45,000 will need to amend the birth certificates to add the name of the father after the 10 day deadline.
- The Department of Health estimates the need for 20 additional Vital Record Information Assistants to handle the increase in birth certificate issuance questions and amendments.
- These positions are estimated to result in an increase in one-time expenditures of \$87,600 which includes costs for computers and printers (\$33,600) and office set-up (\$54,000).
- These positions are estimated to result in an increase in recurring expenditures of \$1,065,100 which includes salaries (\$581,300), benefits (\$203,500), administrative costs (\$158,000), communications and networking (\$28,300), office leasing (\$82,000), and supplies (\$12,000).
- If a birth certificate is amended within the first year, the Department does not charge a fee. After the first year, the Department charges \$15 to amend a birth certificate.
- The Department of Health estimates that 34 percent, or 15,300, will be amended after one year resulting in an increase in revenue of \$229,500 in year two.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kml